

~~SECRET~~

Document No.
NO CHANGE in Class. ☐
☒ DECLASSIFIED
Class. CHANGED TO: TS S C
DDA Memo, 4 Apr 77
Auth: DDA REG. 77/1763
Date: 8 MAR 1978 By: 011

INTELLIGENCE SUMMARY

For Week Ending
3 November 1948

Vol. III No. 43

RETURN TO CIA LIBRARY

NEAR EAST/AFRICA BRANCH
OFFICE OF REPORTS AND ESTIMATES
CENTRAL INTELLIGENCE AGENCY

~~SECRET~~

SECRET

NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

Vol. III No. 43

For Week Ending
3 November 1948

GREECE

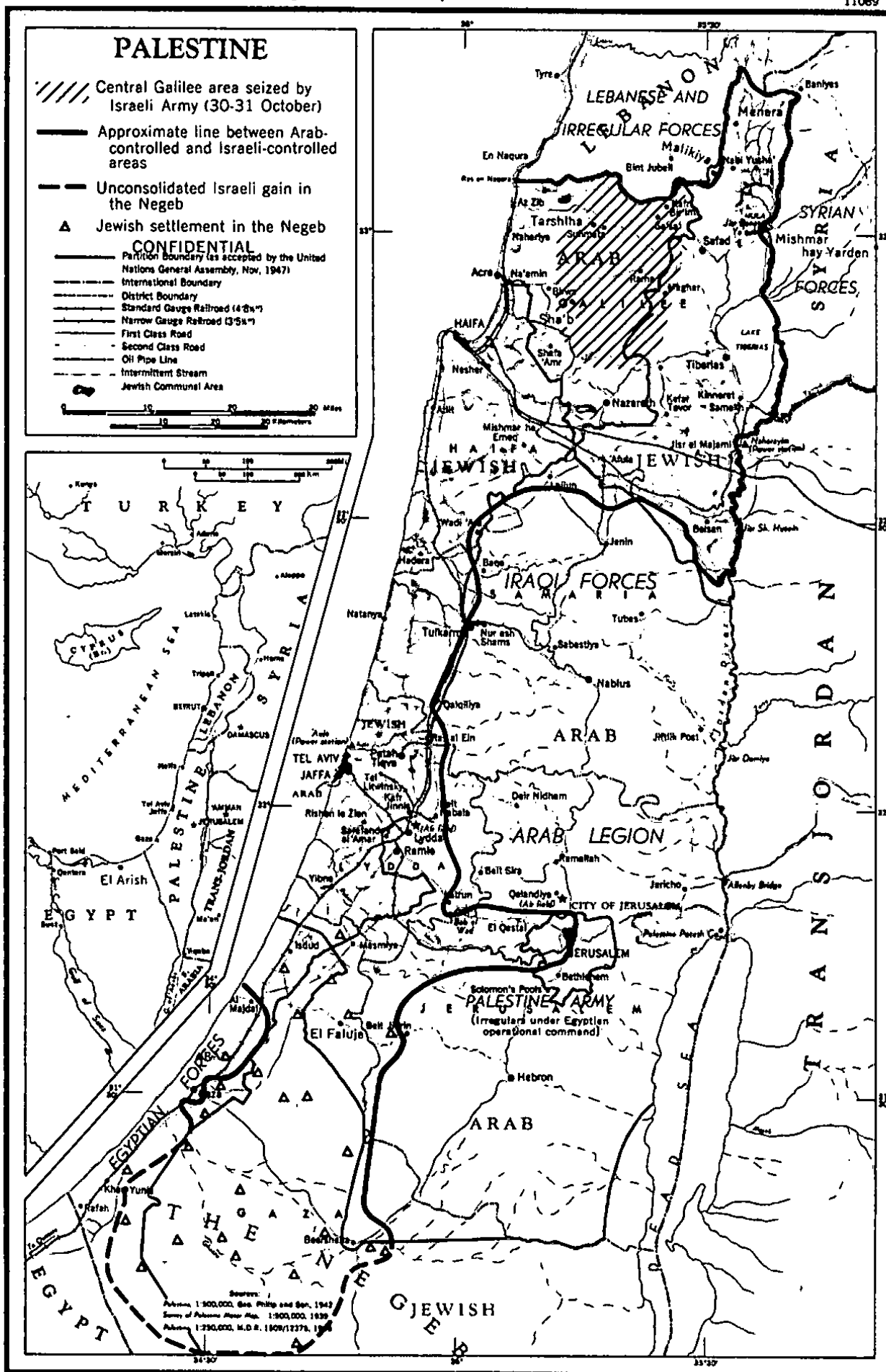
The threat to the Greek coalition cabinet is becoming serious. Sophocles Venizelos, Prime Minister Sophoulis' candidate for leader of the Liberal Party, is attempting to bring about a parliamentary test in which the government would probably fail to receive a confidence vote. Venizelos himself, along with other dissident elements, would then advocate the formation of an "above-party" government under a non-political figure. He has agreed (apparently at the King's insistence) not to urge a showdown until the UN discussion of the Greek case is concluded. Moreover, it would be difficult to negotiate the formation of a new government so long as the leader of the largest parliamentary group, Foreign Minister Tsaldaris, is away in Paris. If, however, the UN discussion is unduly prolonged, growing Greek dissatisfaction over the conduct of political, military, and international affairs may provoke a cabinet crisis prematurely.

A better integrated army high command is being planned by the Greek Government in the face of US refusal to grant additional funds for expanding the armed forces and US insistence that more effective use be made of Greece's present armed strength. The plan, which has the approval of US and UK military advisers in Greece, would revive the prewar office of Commander in Chief of the Army in the person of General Papagos, who held the post during the 1941 Albanian campaign. The elderly Papagos enjoys wide prestige in Greece and has never been associated with politics. He appears willing to accept the responsibility provided he is not subjected to political pressures and is granted increased powers both to prosecute the anti-guerrilla war and to suppress subversive elements in general. As if in answer to his demands, the government has established martial law throughout the country and has replaced one of the top army commanders responsible for the army's failure at Vitsi. Although the authoritarian character of the Commander in Chief's role could be expected to provoke the usual Communist propaganda barrage, Papagos himself has denied having any dictatorial aspirations, and Prime Minister Sophoulis is determined that the post will be created within the constitutional and parliamentary framework of Greece. The need for a coordinated and aggressive high command has long been felt; if Papagos is given the necessary authority, he may be able both to effect an immediate improvement in army morale and to initiate more successful offensive action against the guerrillas.

SECRET

Showing Israeli Conquest of Central Galilee

11069



11089 Map Branch, CIA. 11-48

SECRET

2.

TURKEY

The existence of widespread anti-government sentiment was clearly if indirectly indicated by the recent by-elections for the National Assembly. Although the candidates of the incumbent People's Republican Party won all 13 seats at stake, their victory was achieved by default. In protest against inequities in the voting procedure, both of the major opposition parties refused to name candidates and called upon the electorate to boycott the polling places. With the government nominees opposed only by a handful of independent candidates, the turnout of voters was so poor--somewhere between the 41 percent of those eligible claimed by the government and the 5-15 percent reported by the opposition--as to suggest that the government might have been lucky to elect any candidates if all qualified voters had participated. Opposition to electoral procedures was by no means the only basis for the boycott; although the country continues to support the government's foreign policies, dissatisfaction over the administration of economic and other internal affairs has grown since the Hasan Saka cabinet assumed office last June. Obviously many Turks now feel that a wholesale change of personnel in the high places of Ankara might be a good thing.

PALESTINE

Israel launched a full-scale offensive in north-central Galilee during the week, attacking Arab irregular forces at Sha'b and Tarshiha, midway between Israeli-held Nazareth and the Lebanese border. Within two days, Israeli troops had eliminated the prominent Arab bulge in the central part of the area and had reportedly advanced into Lebanese territory. The Israelis have also apparently driven the Arabs from the Menara area and thus control the entire Galilee region with two minor exceptions: a Syrian salient at Mishmar hay Yarden and a Lebanese foothold at Malikiya. Jerusalem threatens to become the next scene of Israeli-Arab conflict. Israeli officials are pressing their demands for an adequate supply route to Mt. Scopus, a nominally demilitarized area north of the city where a small Jewish police force is posted. The Israeli troops are in a strong position to seize Mt. Scopus, encircle the Old City, and dominate the Jericho road, which is the major supply route for both the Arab Legion and the Iraqi Army. Such action would probably necessitate the withdrawal of these armies from Palestine, thus leaving the Israelis in control of virtually the whole country.

Arab distrust of King Abdullah is increasing. Recently King Ibn Saud requested that 4,000 Saudi troops be permitted transit rights across Transjordan to Syria. Ibn Saud's ostensible reason for the projected troop movement was to help protect Syria from possible Jewish invasion.

SECRET

SECRET

3.

It is more likely, however, that the Saudi King wished to join forces with those of his friend, President Quwwatli, to forestall any plans of Abdullah which might jeopardize the position of neighboring Arab states. Abdullah's refusal to grant the transit rights probably indicates that he suspects some such motive on the part of Ibn Saud and Quwwatli. It has also been reported that the Syrian Nationalist Party, the instrument of Quwwatli, is planning to assassinate Abdullah. Although Arab passions are more given to words than deeds, it is apparent that Arab leaders are becoming more and more bitter toward Abdullah as the Arab position in Palestine deteriorates. They resent his disposition to disregard Arab League opinion and to follow a course designed primarily to enhance his own interests. The determination of Abdullah to go no further than he must in support of the Arab cause is indicated by the orders to the Arab Legion not to fire on the Israelis unless attacked and by the failure of the Legion to aid the hard-pressed Egyptians in the Negeb last week. Nevertheless, Abdullah is not expected to break with the League at this time. His prime minister is opposed to such a rupture, and the UK (to whom Abdullah looks for "advice") holds the same view, believing that an overt split in the Arab bloc would encourage the Jews to resist a UN settlement in the hope of concluding a more satisfactory deal with Abdullah directly.

IRAQ

Recent frenzied bidding over Kuwait's petroleum rights in the Neutral Zone was regarded rather sourly by representatives of the old-line oil companies in the Middle East. It was inevitable, they considered, that the granting of new concessions on terms highly favorable to the grantor would provoke demands for a general upward revision of royalty agreements throughout the entire area. Their gloomy prognostications are now being confirmed by the current Iraqi press agitation for a renegotiation of that country's agreement with the Iraq Petroleum Company (IPC). The question was raised to an official plane last week by an announcement from the Prime Minister that the problem of increasing Iraq's petroleum revenues was receiving the active attention of the government. It is, of course, a popular pastime in Iraq these days to belabor the Western powers with any club that happens to be handy. The present demands for contract revision, however, are based on more than sentiment. This is not the first time that the IPC and the Iraqi Government have failed to see eye to eye. Although Iraq has long smarted under the arrangement by which royalties, while quoted in gold, are paid in sterling, the IPC has to date quietly pigeon-holed the government's proposal that 23.75 percent of the royalties (proportional to the interest of US oil companies in the combine) be paid in dollars. The

SECRET

SECRET

4.

shutting off of the oil flow to Haifa provides another spur to the Iraqi campaign to raise the royalty rate. Although Iraq's refusal to supply the Haifa refinery has been considered politically necessary, it has resulted in a serious loss of revenue to the government.

ETHIOPIA

Ethiopia has turned to Czechoslovakia for arms, apparently having been forced to do so by the countries now most concerned over the rapprochement. Terms of payment demanded by the UK and France could not be met; moreover, the US held up approval of arms sales until last April and then (because of prior commitments to Turkey, Greece, and Iran) limited its approval to purchases from US commercial sources on a non-priority basis. Ethiopia has concluded with Czechoslovakia an \$8,000,000 arms deal and may also have concluded a contract for construction of a munitions plant near Addis Ababa. These negotiations were handled through Baltshasar Chermakian, a suspected Soviet agent who is said to have been selling arms to both Arabs and Jews in the Middle East. Reports also indicate that Ethiopia is negotiating for a Czech military mission and that the Czechs have sent a trade mission to Ethiopia. Since there is little that Ethiopia could export which would be of any use to Czechoslovakia, the trade mission may be designed as cover for further infiltration of the country.

IRAN

The Hajir Government has shown new signs of weakness in recent weeks, and the Majlis and the Shah may soon be confronted with the task of finding another prime minister. Hajir himself appears to be thoroughly frustrated; he has been unable to secure from the Majlis the appropriations he needs for administration and has been forced to leave several cabinet posts vacant for want of qualified men willing to serve under him. Meanwhile, the population in general has become increasingly hostile to him because of inadequate flour distribution despite an ample harvest; the press has reached almost complete unanimity in its opposition to him; and even the Shah, once considered his foremost supporter, has reportedly ordered him to get the budget passed by the Majlis within ten days. Who will succeed Hajir is not clear; although former Prime Minister Qavam (who has been mentioned along with former Prime Minister Sa'ed for the post) has been active in political fence-building, he still faces charges of malfeasance and has not yet achieved a reconciliation with the Shah. What is apparent is that no new prime minister will be able to govern successfully, even with the support of the Shah, so long as his efforts can be blocked by parliamentary inaction.

SECRET

~~SECRET~~

5.

If two recent border incidents were intended to test Iran's resistance to the USSR, they must have been disappointing to their instigators. Near Sadaferin at the northeast tip of Azerbaijan, where the Soviets had announced their intention of seizing a dominating hill on Iranian soil, their actual attempt was repulsed despite the use of a tank by the Soviet attackers. In the Gorgan area along the northeast frontier Soviet troops were compelled to withdraw from posts they had established in Iranian-claimed territory by the arrival of an Iranian Army detachment. A further indication of Iranian firmness is provided by the recent eviction of Soviet personnel from Iranian Government buildings in Bandar Shah which they had occupied ever since the war in defiance of Iranian protests.

NOTED IN BRIEF

Emigration of Turkish Jews to Palestine continues without hindrance on the part of the Turkish Government. These emigrants are, of course, aware that if they are discovered to have participated in a war on behalf of a foreign government, they would be likely to lose their present citizenship. Menachen Beigin, former leader of IZL, now heads the new Israeli "Loyal Opposition" Party known as Tenuat HaHerut (Hebrew Freedom Movement). The party has announced its opposition to the present government but has renounced all underground movement. The recent meeting of Arab leaders at Amman apparently produced no positive results. By common consent, the question of the Palestine Arab Government was not discussed, and consideration of military countermeasures to be taken in Palestine were elaborate but visionary. India and Pakistan appear as cool toward compromise as ever, despite the recently arranged meeting between their prime ministers at London and the impending renewal of UN attempts to solve their dispute. In Kashmir, where Pakistan has 15,000 regulars supporting the Azad irregulars and the Indian Army forces now total 70,000, military action has increased slightly, although neither side appears to contemplate extensive new operations. Pakistan and Afghanistan have reportedly reached a reciprocal military assistance agreement, which includes provision for the training of Afghan officers in Pakistan. If such an agreement were carried out, it would mark a notable change from the hitherto unsettled relations between the two states.

~~SECRET~~